

NORTEL NETWORKS CONFIDENTIAL SPECIAL HANDLING

Mark Frisch VP Verizon Wireless Account

March 8, 2002

Ted Hoffman Vice President, Network Services Verizon Wireless 180 Washington Valley Road Bedminster, NJ 07921

Dear Mr. Hoffman,

Per your request, this letter outlines Nortel Networks' plans to support Enhanced Forward Link Trilateration (EFLT) enabling capabilities on our CDMA infrastructure. Our plan is the result of the joint efforts and discussions between our teams over the past weeks and matches the last information we presented to your team on March 4th.

Development Plan:

Developing EFLT functionality on our infrastructure is a complex project that will impact many of the nodes in the network. Our proposal relies upon software development on the MTX, BSC, and BSSM platforms. Our proposal for delivery and deployment of EFLT into the Verizon Wireless network will include new software delivered on the MTX, BSC, and BSSM as outlined below:

BSC/BSSM:

Nortel Networks will develop and deliver a new NBSS software release - NBSS10.5 - that will provide the support for EFLT. This software release will contain both BSC and BSSM loads.

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BSC will support the PSSM messaging to the mobile required to populate the ISPOSREQ response message. Additionally, it will provide One Way Delay measurement and timestamp.

MTX:

Nortel Networks will deliver the EFLT support on the MTX via a series of MTX10 patches.

MTX will provide support for ISPOSREQ requests and queries on the J-STD-036 MTX-PDE interface as outlined in the relevant Compaq specifications. This includes PSSM mobile information, infrastructure One Way Delay, timestamp and other data such as Band Class, CDMA Channel Number, and Long Code Mask.

Project Schedule:

Nortel Networks plans to deliver the capability described above with a "Customer Ready" date for deployment into the first Verification Office site on July 19th. The planned 6 week VO period coupled with an aggressive 3 week deployment period will result in a planned network wide deployment completion by September 20th. Highlights of the schedule are listed below:

- Conduct product design and testing through Q1 and Q2 2002 followed by a validation and integration activity with Verizon Wireless' PDE vendor in Nortel Networks' labs to validate the overall solution. This will result in the Customer Ready date of July 19th.
- Deploy the new NBSS10.5 load and the MTX patches into the initial Verizon Wireless VO site and conduct verification tests beginning July 19th with a targeted completion of August 30th.
- Conduct an aggressive network wide rollout upon completion of the VO period with a targeted network wide deployment (except MTX11 VO markets) for the completion date of September 20th.



The schedule that we are presenting above is an aggressive schedule with compressed design and test intervals. This plan assumes a shortened validation period where we will combine a series of activities – Nortel nodal integration, Nortel - PDE functional integration, end - end functional test, end - end performance testing in a live air environment – into one consolidated activity to try and eliminate serial processes within the schedule. Because of the high technical complexity, shortened development timescales, and 3rd party dependencies, this schedule does have risk associated with it and Nortel Networks will work in good faith to maintain or improve this plan. Nortel Networks has already started the development program for the delivery of the EFLT capability.

Supported Configurations:

In order to meet the proposed development plan, the EFLT capability will not be available in all infrastructure configurations as indicated during previous discussions. The restrictions on the supported configurations are detailed below:

- This capability will be provided for the Metrocell only. This means that the E911 EFLT solution will not be supported for Legacy BTS sites.
- This capability will be supported on the ESEL cards in the BSC only there will be no support for SEL cards. Legacy 8K mobiles are only supported on SEL and will not have E911 EFLT support. This restriction should have minimal impact on E911 EFLT capability in the network as there is very little traffic generated by legacy 8K mobiles (<0.5% of BHCA in LA), EVRC, and 13K traffic can be directed to ESEL first.
- This plan does not include support for IOS configurations.
- The EFLT enabling capability is understood to be provided for E911 location applications only and Nortel Networks does not plan to support this for non-E911 location based services.

EFLT Accuracy Concerns:

Based on the analysis conducted to date, Nortel Networks has concerns regarding the accuracy requirements for the EFLT E911 solution placed on Verizon Wireless by the FCC ("average accuracy of 250-350 meters"). Nortel Networks current intent is to deliver EFLT enabling capability that will typically provide for an accuracy (on successful EFLT locates) that is somewhere between that available with cell sector information and the accuracy expected with AGPS/AFLT implementation. As was discussed during the March 5th meeting between Nortel Networks, Verizon Wireless, and SnapTrack, it is not expected that we will have a clear understanding of the accuracy of the EFLT solution until we get to the VO deployment.



Nortel Networks will continue to work closely with SnapTrack to ensure that decisions made during our development of the EFLT capability will not adversely impact the accuracy that the SnapTrack PDE will be able to produce using Nortel's EFLT capability. As an example of this, it has been concluded during the conference call on March 5th with Nortel Networks, Verizon Wireless, and SnapTrack that the proposal to utilize RTD and Timestamp information from the BSC will not adversely impact the ability of the PDE to determine location.



This plan will provide the enabling capability for the support of EFLT with initial availability in the Verizon Wireless VO market by July 19th. This will make the EFLT capability available for initial use in the Verizon Wireless network by August 1st. The aggressive VO and deployment schedule in the plan provides for network wide deployment (*except the MTX11 VO markets*) to be achieved by the end of the 3rd quarter 2002. In addition to this EFLT development and deployment plan, Nortel Networks is continuing the work to complete the deployment of the AGPS/AFLT capabilities on our infrastructure by the end of the 2nd quarter this year.

We will keep you and your team updated throughout the project. Please don't hesitate to call me on this matter with any questions or concerns.

Very truly yours,

Mark Frisch Nortel Networks